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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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COUNTRY	Hungary	REPORT		25X1
SUBJECT	Construction Work	DATE DISTR.	3 February 1954	
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This is UNEVALUATED Information

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
THE APPRAISAL OF CONTENT IS TENTATIVE.
(FOR KEY SEE REVERSE)

25X1

1. A radar station is to be built between Bugyi (Q48/N59) and Sari (Q48/N69). It is planned to complete it by May 1954.
2. The building of barracks has temporarily ceased, and those already begun are being roofed over to keep them from deterioration.
3. Work is, however, continuing on the building of airfields.
4. Near Tiszavasvár, seven excavators are concentrated on excavation work on the Eastern Main Canal.
5. New dwellings are being built on the corner of Hadapród and Vörös Hadsereg Streets in district II of Budapest for families of officer instructors at the Sztálin Academy for political officers.
6. The AVH (State Security Authority) was building a port near the new barracks in Káposztas Megyer, north of Ujpest. This project is now to be shelved and only protective work, costing three to four million forints, will be carried out.
7. External plastering still goes on on the old German Legation in Uri utca 66, Budapest I. It is known locally as the Army Headquarters (Honved Parancsnokság). Large quantities of military stores are being brought up by trucks. For instance, on 14 October 1953 two truckloads of rubber boots were observed being unloaded and taken inside, and on 24 October 1953 a truckload of gas-mask components (i.e. corrugated black rubber tubes about 1½ - 2 ft. long x about 1½ in. diameter and khaki mackintosh helmets with 3 insertions of some transparent material, one across the eyes and one over each ear) were seen being carried in. Military personnel of all branches go in and out of the building, but the sentries mostly wear dark crimson tabs.

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25 YEAR
RE-REVIEW

STATE	X	ARMY	X	NAVY	X	AIR	X	FBI		AEC									
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(Note: Washington Distribution Indicated By "X"; Field Distribution By "#")

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8. On 25 October 1953 the large barracks at the eastern end of Aszód (Q48/H83) and the village itself were full of Hungarian troops. Sentries wore pale blue tabs with tank insignia, and some troops were seen wearing crossed rifles on slightly darker blue (not AVH).
9. Northwest of Etyék (Q48/H22) there is an underground mine factory where anti-personnel and antitank mines are being produced and stored. The factory is identifiable by a large mound with vents protruding from it.
10. At Normafalejtő (a slope leading down from Normafa ut to Mátyás Király-ut, Budapest XII) [redacted] excavation and construction work has been going on behind a high wooden fence since the spring of 1953. On 6 October 1953 the double doors in the fence were open and a column of heavily laden trucks was seen entering a large tunnel leading straight into a hillside. 25X1
11. A similar work of excavation was observed in the fall of 1952 straight down into the top of the hill on the edge of Eötvös ut which runs along the top of the hill parallel with Normafa ut. This has since been concreted and covered with earth and fitted with vents. It is possible therefore that the two are connected with an extensive underground construction and/or atomic research plant which has been reported from time to time as located up in the Jánoshegy-Csilleberc district. (See attached sketch)
12. The Hungarian Telegraph Agency MTI built itself a huge house on the Naphegy tér Budapest in 1952 and completed it in the summer of 1953. Insufficient account was taken of the fact that it would be necessary to keep in constant touch with the newspapers through messengers and despatch riders. The agency undercalculated its gasoline requirements and as a result in the middle of September 1953, the messenger service had to be suspended until 1 October, when the new ration for the fourth quarter had started.

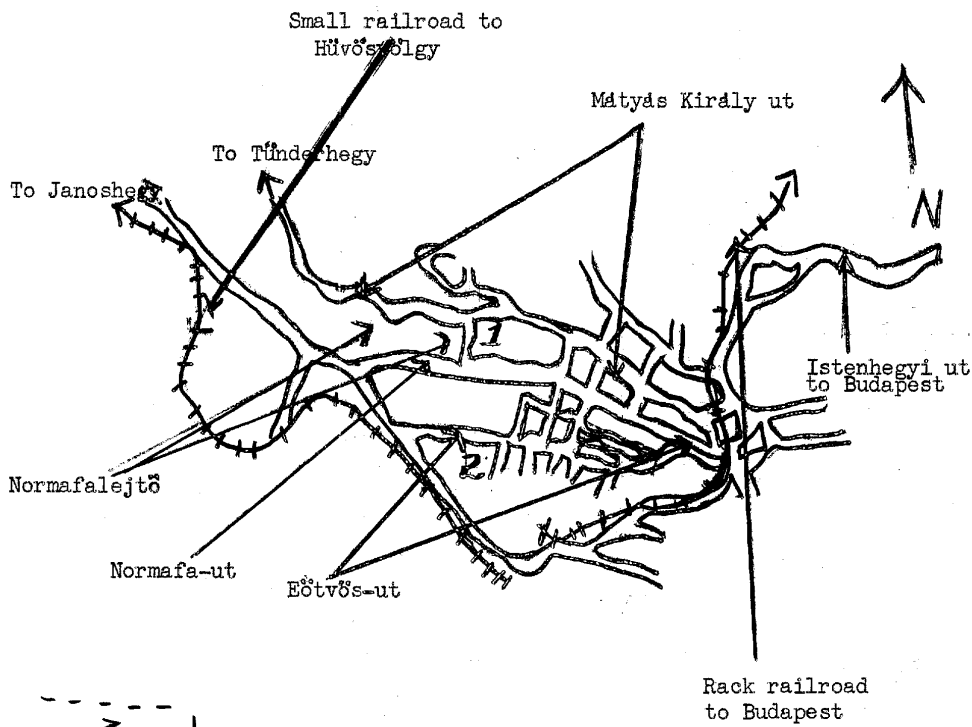
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Annex: Underground Construction in Budapest



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2. Underground construction now roofed in
3. Approximate site of reported atomic research plant

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